

Report on the RJC (Responsible Jewellery Council) - Compliance Report - year 2021 – Step 5 – Supply Chain Due Diligence

This Compliance Report is based on the criteria described in the OECD STEP 5: Report Annually on Supply Chain Due Diligence according to the Chain of Custody Guidance of RJC, November 2019 version (hereinafter “Guidance”).

The legal representatives of the Company are responsible for the preparation and presentation of the Annual Report on Supply Chain Due Diligence (hereinafter “the Report”). This responsibility includes establishing appropriate risk management procedures and internal controls relevant to the preparation of the Report that is free from material misstatements, whether due to fraud or error.

The criteria identified by the senior management as relevant for demonstrating compliance with the Guidance are the activities described within the Report.

Company’s details	
Company’s name	Coimpa Industrial Ltda.
Location	Manaus, Amazonas, Brazil
Report year	2021
Date of Report	21/03/2022
Senior Management responsible for this Report	Antonio Carlos Donegá Aidar
Coimpa Industrial Ltda. (hereinafter Coimpa) is part of the Umicore Group based in Brussels, Belgium.	
Coimpa has been audited in 22 November 2021 and RJC has emitted the COP (Code of Practices) certificate valid for the period from 18/02/2022 to 18/02/2025.	

Table 2	Summary of activities undertaken to demonstrate compliance
Step 1: Establish strong company management systems	
Compliance Statement with Requirement	
1. Has the Company adopted a company policy regarding due diligence for supply chains?	
<p>Comments and Demonstration of Compliance</p> <p>A specific Group Policy “Responsible Global Supply Chain of Minerals from Conflict-Affected and High Risk Areas” has been effective within the Umicore Group as of 4 February 2013. Furthermore, Coimpa follows the KYC through its BPS (Business Partner Screening), according to its guideline “BU JIM Supply-Chain Security Guideline”.</p> <p>Other related documents are:</p> <ul style="list-style-type: none"> - Umicore Way - Code of Conduct <p>O caminho Umicore Umicore Brasil Umicore Código de Conduta Umicore Brasil Umicore</p>	
2. Has the Refiner set up an internal management structure to support supply chain due diligence?	

<p>Comments and Demonstration of Compliance</p> <p>Within Coimpa an internal management system has been set up through “BU JIM Supply-Chain Security Guideline”. This system defines the governance, roles and responsibilities, internal compliance reviews, communication and the senior management involvement in order to ensure compliance and due diligence.</p>
<p>3. Has the Company established a strong internal system of due diligence, controls and transparency over gold supply chain, including traceability and identification of other supply chain actors?</p>
<p>Comments and Demonstration of Compliance</p> <p>The Umicore Group and Coimpa are committed to promoting honest and ethical business conduct by all of its employees, directors, officers and agents and compliance with the laws which govern the conduct of business worldwide. Coimpa, as a company of the Umicore Group believe that a commitment to honesty, ethical conduct and integrity is an essential asset that builds trust with company clients, business partners, shareholders and the communities in which they operate.</p> <p>Coimpa developed an internal risk-based approach ensuring supply chain traceability and maintaining of records, according to the “BU JIM Supply-Chain Security Guideline”.</p>
<p>4. Has the Company strengthened company engagement with supplying counterparties, and where possible, assist supplying counterparties in building due diligence capabilities?</p>
<p>Comments and Demonstration of Compliance</p> <p>As mentioned in the Sustainable Procurement Charter, the Umicore Group expects that suppliers comply with all applicable environmental laws and regulations in all territories where suppliers operate and that they possess all the necessary environmental permits and registrations.</p> <p>The Umicore Group expects that suppliers respect the International Labor Organization’s Declaration on Fundamental Principles and Rights at Work and the international law in Human Rights. The Umicore Group expects that suppliers are not complicit in any way in Human Right abuses.</p> <p>Coimpa requires that all Precious Metal Supply Chain counterparties commit themselves formally by signing a letter of compliance.</p> <p>Furthermore, when applicable, a site visit may be performed in respect of compliance with the Sustainable Procurement Charter.</p> <p>Finally, Coimpa also concludes as much as possible long-term agreements with reliable suppliers.</p>
<p>5. Has the Company established an effective grievance mechanism?</p>
<p>Comments and Demonstration of Compliance</p> <p>Training is very important for Coimpa and a training program on RJC and its compliance rules has been installed for all employees concerned.</p> <p>Within Coimpa, based on “BU JIM Supply-Chain Security Guideline”, an escalation procedure has been installed. Exceeding certain risk levels with respect to business partner screening and/or material screening implies the intervention of the compliance officer and senior manager.</p> <p>Finally, there is a grievance channel available at http://www.umicore.com/en/contact/integrity-line/grievance-contact-form</p>
<p>Step 2: Identify and assess risks in the supply chain</p>
<p>Compliance Statement with Requirement</p> <p>Coimpa has fully complied with step 2 “Identify and assess risk in the supply chain”.</p>

1. Does the refiner have a process to identify risks in the supply chain?
<p>Comments and Demonstration of Compliance As mentioned in step 1.3, Coimpa developed an internal risk-based approach to detect systematically risks throughout the precious metals supply chain. Nevertheless, Coimpa is not sourcing any precious metals (silver and gold) from out of South America.</p>
2. Does the refiner assess risks in light of the standards of their due diligence system?
<p>Comments and Demonstration of Compliance Coimpa assesses risks in light of the standards of its due diligence system. Key documents are the internal due diligence “BU JIM Supply-Chain Security Guideline” and the Group Policy “Responsible Global Supply Chain of Minerals from Conflict-Affected and High-Risk Areas”.</p> <p>Coimpa performs enhanced due diligence for high-risk categories, as well as for business partner screening as for material screening.</p> <p>Coimpa verifies that the supply chain documents are consistent with each other and with its knowledge of the supply chain.</p>
3. Does the refiner report risk assessment to the designated manager?
<p>Comments and Demonstration of Compliance As explained in step 1.5., an escalation procedure has been installed within Coimpa, whereby the compliance officer and senior manager must be involved when certain risk levels are exceeded.</p>
Step 3: Design and implement a strategy to respond to identified risks
<p>Compliance Statement with Requirement Company has fully complied with step 3 “Design and implement a strategy to respond to identified risks”.</p>
1. Has the refiner devised a strategy for risk management of an identified risk by either (i) mitigation of the risk while continuing trade; (ii) mitigation of the risk while suspending trade; (iii) disengagement of the risk?
<p>Comments and Demonstration of Compliance As explained in step 1.5., escalation procedure have been installed within Coimpa involving the compliance officer and senior manager. In case of higher risk, transactions will be put on hold. The decision of the compliance officer and senior manager could lead to mitigation of the risk or could lead to disengagement.</p>
2. Where a management strategy of risk mitigation is undertaken, it should include steps to be taken and achieved, monitoring or performance, periodic reassessment of risk and regular reporting to designated senior management.
<p>Comments and Demonstration of Compliance Systematic monitoring of transactions is embedded in Coimpa’s supply chain processes and practices, according to “BU JIM Supply-Chain Security Guideline” and our Sustainable Procurement charter available on www.umicore.com</p> <p>umicore-sustainable-procurement-charter-2017.pdf</p>
Step 4: Carry out independent third-party audit of supply chain due diligence
<p>Compliance Statement with Requirement Coimpa has fully complied with step 4 “Arrange for an independent third-party audit of supply chain due diligence”.</p> <p>The report is issued on a yearly basis of 2020 by PriceWaterHouse on April, 2021.</p>
<p>Comments and Demonstration of Compliance Coimpa engaged the services of the assurance provider SCS Global Services which accredited its process and made it possible the RJC certification.</p>

Step 5: Report annually on supply chain due diligence
Compliance Statement with Requirement Coimpa has fully complied with step 5 “Report on supply chain due diligence”
Comments This five steps Report is available on Umicore Brasil group website.

Table 3	Management conclusion
Is the refiner in compliance with the requirements of the RJC for the reporting period	
Yes	<p>Comments</p> <p>Coimpa implemented effective management systems, processes and practices to confirm the requirements of the RJC, as explained above in Table 2, for the reporting year ended 31 December 2021.</p> <p>Regarding management systems, processes and practices in the domain of “Responsible Global Supply Chain of Minerals from Conflict-Affected and High Risk Areas”, Coimpa received a positive feedback after the independent audit, conducted by SCS Global Services, to have their COP Certificate emitted by RJC.</p> <p>Coimpa is committed to continuous improvement, and any corrective actions identified will be monitored internally on a regular basis.</p>

Table 4	Other report comments
Comments	
Users of this report are welcome to provide feedback or address relevant queries to Coimpa by emailing: Antonio.aidar@am.umicore.com	

Manaus, 21 de março de 2022.

COIMPA INDUSTRIAL LTDA.
Antonio Carlos Donegá Aidar